



Billing Code 3410-10

DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

Pima Agricultural Cotton Trust Fund

AGENCY: Foreign Agricultural Service

ACTION: Notice and request for comments.

SUMMARY: The Foreign Agricultural Service (FAS) announces that it will accept claims from eligible individuals or firms regarding distributions from the Pima Agriculture Cotton Trust Fund (Trust Fund) authorized under Section 12314 of the Agricultural Act of 2014 (P.L. 113-79) (the Act). FAS is also requesting comment on the burden of collecting this information.

DATES: *Effective Date:* For calendar year 2014 distributions, all claims and affidavits must be electronically filed with FAS no later than [INSERT 30 DAYS FOLLOWING PUBLICATION DATE]. Comments on this notice must be received by FAS or carry a postmark or equivalent no later than [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER] for consideration. Comments on the Paperwork Reduction Act (PRA) portion must be submitted by [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER] for consideration.

ADDRESSES: Affidavits, supporting documentation, and claims for distribution from the Trust Fund must be sent electronically to the, Office of Trade Programs, Import Programs and Export Sales Reporting Division of the Foreign Agricultural Service to the following email address: IPERD@FAS.USDA.GOV.

FOR FURTHER INFORMATION CONTACT:

Paul Trupo at (202) 720-1335, or via e-mail at: PAUL.TRUPO@FAS.USDA.GOV

Background:

Section 12314 of the Act establishes the Trust Fund in the Treasury of the United States.

The Trust Fund is comprised of funds transferred from the Commodity Credit

Corporation in annual amounts equal to \$16,000,000 for each of calendar years 2014

through 2018, to remain available until expended. The purpose of the Trust Fund is to

reduce the injury to domestic manufacturers resulting from tariffs on cotton fabric that

are higher than tariffs on certain apparel articles made of cotton fabric. The Act

authorizes distributions out of the Trust Fund in each of calendar years 2014 through

2018, payable to: 1) one or more nationally recognized associations established for the

promotion of pima cotton for use in textile and apparel goods; 2) yarn spinners of pima

cotton that produce ring spun cotton yarns in the United States; and 3) manufacturers who

cut and sew cotton shirts in the United States who certify that they used imported cotton

fabric during calendar year 2013. Eligible claimants are directed to submit a notarized

affidavit, following the statutory procedures specified Section 12314(c) or (d) of the Act,

as applicable, to claim a distribution from the Trust Fund. Because section 12314 is self-

effectuating, FAS will not be issuing regulations to implement the program this year.

This notice sets forth the law and announces applicable deadlines for claim and affidavit

submission as well as the address to which claims, affidavits and supporting documents

must be sent.

SUPPLEMENTARY INFORMATION:

Section 12314 of Act (P.L. 113-79) is set forth below in its entirety, followed by information about how to apply for a distribution from the Trust Fund.

Sec. 12314 PIMA AGRICULTURE COTTON TRUST FUND.

(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the “Pima Agriculture Cotton Trust Fund” (in this section referred to as the “Trust Fund”), consisting of such amounts as may be transferred to the Trust Fund pursuant to subsection (h), and to be used for the purpose of reducing the injury to domestic manufacturers resulting from tariffs on cotton fabric that are higher than tariffs on certain apparel articles made of cotton fabric.

(b) DISTRIBUTION OF FUNDS.—From amounts in the Trust Fund, the Secretary shall make payments annually beginning in calendar year 2014 for calendar years 2014 through 2018 as follows:

(1) Twenty-five percent of the amounts in the Trust Fund shall be paid to one or more nationally

recognized associations established for the promotion of pima cotton for use in textile and apparel goods.

(2) Twenty-five percent of the amounts in the Trust Fund shall be paid to yarn spinners of pima cotton that produce ring spun cotton yarns in the United States, to be allocated to each spinner in an amount that bears the same ratio as—

(A) the spinner’s production of ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number) from pima cotton in single and plied form during calendar year 2013 (as evidenced by an affidavit provided by the spinner that meets the requirements of subsection (c)), bears to—

(B) the production of the yarns described in subparagraph (A) during calendar year 2013 for all spinners who qualify under this paragraph.

(3) Fifty percent of the amounts in the Trust Fund shall be paid to manufacturers who cut and sew cotton shirts in the United States who certify that they used imported cotton fabric during calendar year 2013, to be allocated to each such manufacturer in an amount that bears the same ratio as—

(A) the dollar value (excluding duty, shipping, and related costs) of imported woven cotton shirting fabric of 80s or higher count and 2-ply in warp purchased by the manufacturer during calendar year 2013 (as evidenced by an affidavit provided by the manufacturer that meets the requirements of subsection (d)) used in the manufacturing of men's and boys' cotton shirts, bears to—

(B) the dollar value (excluding duty, shipping, and related costs) of the fabric described in subparagraph (A) purchased during calendar year 2013 by all manufacturers who qualify under this paragraph.

(c) AFFIDAVIT OF YARN SPINNERS.—The affidavit required by subsection (b)(2)(A) is a notarized affidavit provided annually by an officer of a producer of ring spun yarns that affirms—

(1) that the producer used pima cotton during the year in which the affidavit is filed and during calendar year 2013 to produce ring spun cotton yarns in the United States, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form;

(2) the quantity, measured in pounds, of ring spun cotton yarns, measuring less than 83.33 decitex exceeding 120 metric number), in single and plied form during calendar

year 2013; and (3) that the producer maintains supporting documentation showing the quantity of such yarns produced, and evidencing the yarns as ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during calendar year 2013.

(d) AFFIDAVIT OF SHIRTING MANUFACTURERS.—

(1) IN GENERAL.—The affidavit required by subsection (b)(3)(A) is a notarized affidavit provided annually by an officer of a manufacturer of men's and boys' shirts that affirms—

(A) that the manufacturer used imported cotton fabric during the year in which the affidavit is filed and during calendar year 2013, to cut and sew men's and boys' woven cotton shirts in the United States;

(B) the dollar value of imported woven cotton shirting fabric of 80s or higher count and 2-ply in warp purchased by the manufacturer during calendar year 2013;

(C) that the manufacturer maintains invoices along with other supporting documentation (such as price lists and other technical descriptions of the fabric qualities) showing the dollar value of such fabric purchased, the date of purchase, and evidencing the fabric as woven cotton fabric of 80s or higher count and 2-ply in warp; and

(D) that the fabric was suitable for use in the manufacturing of men's and boys' cotton shirts.

(2) DATE OF PURCHASE.—For purposes of the affidavit under paragraph (1), the date of purchase shall be the invoice date, and the dollar value shall be determined excluding duty, shipping, and related costs.

(e) FILING DEADLINE FOR AFFIDAVITS.—Any person required to provide an affidavit under this section shall file the affidavit with the Secretary or as directed by the Secretary—

(1) in the case of an affidavit required for calendar year 2014, not later than 60 days after the date of the enactment of this Act; and

(2) in the case of an affidavit required for any of calendar years 2015 through 2018, not later than March 15 of that calendar year.

(f) TIMING OF DISTRIBUTIONS.—The Secretary shall make a payment under paragraph (2) or (3) of subsection (b)—

(1) for calendar year 2014—

(A) not later than the date that is 30 days after the filing of the affidavit required with respect to that payment; or

(B) if the Secretary is unable to make the payment by the date described in subparagraph

(A), as soon as practicable thereafter; and

(2) for calendar years 2015 through 2018, not later than the date that is 30 days after the filing of the affidavit required with respect to that payment.

(g) MEMORANDUM OF UNDERSTANDING.—The Secretary and the Commissioner responsible for U.S. Customs and Border Protection shall, as soon as practicable

after the date of the enactment of this Act, negotiate a memorandum of understanding to establish procedures pursuant to which the Commissioner will assist the Secretary in carrying out the provisions of this section.

(h) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Trust Fund \$16,000,000 for each of calendar years 2014 through 2018, to remain available until expended.

Procedures for Claiming a Distribution Under the Statute

Eligible claimants for a distribution from the Trust Fund are directed to submit a notarized affidavit, following the statutory procedures specified in section 12314(c) of the Act for yarn spinners, and Section 12314 (d) of the Act for shirting manufacturers, to claim a distribution from the Pima Agricultural Cotton Trust Fund. Claimants are advised to note that sections 12314(c) of the Act require each affidavit submitted by yarn spinners to provide definitive statements and supporting documentation verifying their eligibility. Section 12314(d) of the Act require each affidavit submitted by shirting manufacturers to provide definitive statements and supporting documentation verifying their eligibility. All claimants must provide FAS with a W-9 form to indicate and certify their taxpayer identification number. All claimants must also provide a Form 1199A, a direct deposit sign-up form, to facilitate any transfer of funds. Trade associations filing a claim for a distribution must electronically provide a notarized statement whether they are a domestic nationally recognized association established for the promotion of pima cotton for domestic use in textile and apparel goods. Trade Associations must also electronically provide W-9 and W-1199 forms of the Internal Revenue Service applicable to the eligible claimant for tax year 2013 as supporting documentation. All claimants must maintain such documentation as they have affirmed to exist in their respective affidavits.

Deadlines for Claim/Affidavit Submission

All claims, affidavits, and supporting documentation by eligible claimants for calendar year 2014 distributions must be sent to FAS no later than 30 days following the publication of this notice.

Address

The office charged with administering the Trust Fund is the Foreign Agricultural Service, Office of Trade Programs, Import Policies and Export Reporting Division. This office is physically located at: 1400 Independence Ave, SW, Mail Stop 1021, Washington, DC 20250. Claims and affidavits for distribution from the Trust Fund, including any supporting documentation that may be subsequently requested by FAS, must be submitted electronically to the following email address: IPERD@FAS.USDA.GOV.

REQUEST FOR COMMENT ON INFORMATION COLLECTION

SUMMARY: In accordance with the Paperwork Reduction Act (PRA) of 1995, FAS is requesting comments from all interested individuals and organizations on the Pima Agricultural Cotton Trust Fund (referred to as the “Trust Fund”). This is a new information collection request.

Claimants will be required to submit a notarized affidavit to request a distribution from the Trust Fund electronically to FAS.

SUPPLEMENTARY INFORMATION:

Title: Pima Agricultural Cotton Trust Fund

OMB Control Number: 0551-New.

Type of Request: New Collection.

Abstract: This information collection is required for affidavits submitted to FAS for claims against the Pima Agricultural Cotton Trust Fund.

Estimate of Burden: Public reporting for this collection of information is estimated to average 60 minutes per response.

Respondents: There are three groups of potential respondents, all of whom must meet the requirements of Section 12314 of Act (P.L. 113-79): (1) One or more nationally recognized associations established for the promotion of pima cotton for use in textile and apparel goods; (2) Certain yarn spinners of pima cotton that produce ring spun cotton yarns in the United States from pima cotton during calendar year 2013; (3) Manufacturers who cut and sew cotton shirts in the United States who certify that they used imported cotton fabric during calendar year 2013

Estimated Number of Respondents: 12

Estimated Number of Responses per Respondent: 1.

Estimated Total Annual Number of Responses: 12

Estimated Total Annual Burden on Respondents: 12 hours.

Copies of this information collection can be obtained from Connie Ehrhart, the Agency Information Collection Coordinator, at (202) 690-1589 or e-mail at Connie.Ehrhart@fas.usda.gov.

Request for comments: We are requesting comments on all aspects of this information collection to help us to: (1) Evaluate whether the collection of information is necessary for the proper performance of FSA's functions, including whether the information will have practical utility;

(2) Evaluate the accuracy of FAS's estimate of burden including the validity of the methodology and assumptions used; (3) Enhance the quality, utility and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Send responses to: Foreign Agricultural Service, Import Programs and Export Reporting Division, 1400 Independence Ave, SW, Mail Stop 1021, Washington DC 20250.

Submissions by email may be sent to the following email address:

IPERD@FAS.USDA.GOV

All comments received in response to this notice, including names and addresses when provided, will be a matter of public record. Comments will be summarized and included in the submission for Office of Management and Budget approval.

E-Government Act Compliance

FAS is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

Persons with disabilities who require an alternative means for communication of information (e.g., Braille, large print, audiotape, etc.) should contact USDA's Target Center at (202) 720-2600 (voice and TDD).

Signed at Washington, DC on April 17, 2014.

Philip C. Karsting,
Administrator,
Foreign Agricultural Service.

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